## **CHAPTER 1031**

## REAL ESTATE BROKERS

S.F. 2133

**AN ACT** relating to real estate brokers, including defining the activities of a real estate broker, licensure and insurance coverage, and providing a penalty.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 543B.3, Code 2001, is amended by adding the following new subsection: <u>NEW SUBSECTION</u>. 9. Prepares offers to purchase or purchase agreements, listing contracts, agency disclosures, real property residential and agricultural rental agreements, real property commercial rental agreements of one year or less, and groundwater hazard statements, including any modifications, amendments, or addendums to these specific documents.

Sec. 2. Section 543B.15, subsection 8, Code 2001, is amended to read as follows:

- 8. To qualify for a license as a real estate broker, a person shall complete at least sixty contact hours of commission approved real estate education within twenty-four months prior to taking the broker examination. This education shall be in addition to the required salesperson prelicense course. The applicant shall have been a licensed real estate salesperson actively engaged in real estate for a period of at least twenty-four months preceding the date of application, or shall have had experience substantially equal to that which a licensed real estate salesperson would ordinarily receive during a period of twenty-four months, whether as a former broker or salesperson, a manager of real estate, or otherwise. However, if the commission finds that an applicant could not acquire employment as a licensed real estate salesperson because of conditions existing in the area where the person resides, the experience requirement of this subsection may be waived for that person by the commission.
  - Sec. 3. Section 543B.47, subsections 1, 2, and 6, Code 2001, are amended to read as follows:
- 1. The real estate commission shall adopt rules requiring as a condition of licensure that all real estate licensees, except those who hold inactive licenses, carry errors and omissions insurance covering all activities contemplated under this chapter. The rules shall provide for administration of the insurance requirements of this section within the multiyear licensing structure required by section 543B.28. However, the rules shall require licensees to submit evidence of compliance with this section at least annually and shall provide for review and determination of compliance on an annual basis within twenty calendar days of the commission's request, which may be made on a test basis, a random basis, or upon reasonable cause to question a licensee's compliance.
- 2. The commission shall contract with an insurance provider for a group policy under which coverage is available to all licensees, and shall maintain coverage with the contracted provider unless the commission determines that continuing the contract is not reasonably practical. The contract shall be solicited by competitive, sealed bid.
- 6. Each licensee shall be notified of the required terms and conditions of coverage for the annual policy at least thirty days prior to the license renewal date or the anniversary of the license renewal date. A certificate of coverage, showing compliance with the required terms and conditions of coverage, must be filed with the commission by the license renewal date or the anniversary of the license renewal date by each licensee who elects not to participate in the group insurance program administered by the commission. Failure of a license applicant or licensee to carry the errors and omissions insurance required by this section, or to timely submit proof of coverage upon commission request, shall be grounds for the denial of an application for licensure, the denial of an application to renew a license, or the suspension or revocation of a license.

## Sec. 4. NEW SECTION. 543B.48 CIVIL PENALTY AMOUNT.

Notwithstanding section 272C.3, licensee discipline may include a civil penalty not to exceed two thousand five hundred dollars per violation.

Approved March 29, 2002

## **CHAPTER 1032**

COUNTY ISSUANCE OF DRIVER'S LICENSES, NONOPERATOR IDENTIFICATION CARDS, AND PERSONS WITH DISABILITIES IDENTIFICATION DEVICES

S.F. 2156

**AN ACT** authorizing all counties not served by a permanent state department of transportation facility to issue driver's licenses, nonoperator identification cards, and persons with disabilities identification devices under certain conditions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 321.186, unnumbered paragraph 1, Code 2001, is amended to read as follows:

The department may examine every new applicant for a driver's license or any person holding a valid driver's license when the department has reason to believe that the person may be physically or mentally incompetent to operate a motor vehicle, or whose driving record appears to the department to justify the examination. The examinations shall be held in every county within periods not to exceed fifteen days except that the driving skills test for a commercial driver's license shall be given only at locations where required driving skills may be adequately tested, including pretrip and off-road examinations. The department shall make every effort to accommodate a functionally illiterate applicant when the applicant is taking a knowledge test. The department shall make every effort to have an examiner conduct the commercial driver's license driving skills tests at other locations in this state where skills may be adequately tested when requested by a person representing ten or more drivers requiring driving skills testing.

Sec. 2. Section 321M.1, Code Supplement 2001, is amended to read as follows: 321M.1 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

- 1. "Cluster" means a group of four to six contiguous counties serving a population area comparable to an area served by a department itinerant team, that is subject to an agreement among the participating counties that is executed pursuant to chapter 28E.
- 2. 1. "Commercial driver's license" means a driver's license valid for the operation of a commercial motor vehicle, as regulated by chapter 321.
- $3. \ \underline{2.}$  "County issuance" means the system or process of issuing driver's licenses, nonoperator identification cards, and persons with disabilities identification devices, including all related testing, to the same extent that such items are issued by the department.
  - 4. 3. "Department" means the state department of transportation.
- 5. 4. "Digitized photolicensing equipment" means the machines and related materials, obtained pursuant to contract, the use of which results in the on-site production of driver's licenses and nonoperator identification cards.